

November 19, 2015

Letter of Appeal
Schools and Libraries Division – Correspondence Unit
30 Lanidex Plaza West
PO Box 685
Parsippany, NJ 07054-0685

To Whom It May Concern:

Entity & BEN	Jefferson County Public Schools (BEN 128769)
Contact Person	Craig Garrison
Contact Information	C. B. Young Jr. Service Center
Mailing Address	3001 Crittenden Drive, Building #7 Louisville, KY 40209
Phone Number	(502) 485-3116
Email	craig.garrison@jefferson.kyschools.us
Service Provider	Windstream Communications, LCC (SPIN 143030766)
Funding Year	2015
Application Type/Number	Form 471 Application #1003395
FRN	2726874
Appeal Reason	FCDL dated June 5, 2015, Denied FRN for contract violation and "Administrator's Decision on Appeal – Funding Year 2015-2016" dated September 28, 2015.

Attachments:

1. Administrator's Decision on Appeal – Funding Year 2015-2016 dated September 28, 2015.

Appeal Explanation:

Jefferson County Public Schools (JCPS) fully supports USACs efforts to insure program integrity and good business practices. As a participant, JCPS has always followed all rules to the best of our ability and has always carefully considered all bids received before entering into a binding agreement. We also follow all Kentucky State Procurement Laws.

This was an oversight that was not known at the time of filing 471 #1003395, neither by JCPS, nor the vendor. In looking back, JCPS acknowledges the FCDL dated 5/15/2014 did specify JCPS had to post a new form 470. However, we did not notice this at the time we received the FCDL and never knew we had to do this, or we would have taken care of this as per the process.

This was a mistake on our part. We have had 2-3 re-organizations during the last few years and this was just a casualty of business interruption and not double-checking the process. This was not intentionally done to circumvent the process and rules. We went to great lengths with our FY15 filing to make sure we followed all the new rules. We simply, did not know about the statements in the FCDL, and were subsequently shocked when we got the denial.

As a result of this denial we have posted a 470 and issued an RFP and will have a new contract in place prior to the FY16 471 Filing period. This will allow us to take advantage of the e-rate discounts for the FY16 service period. We have two requests.

1. For the current FY15 service period, we would ask the discounts be approved so we can continue to get refunds for these services despite the fact we made an unintentional error. Our track record should show that we are committed to following the rules and we would never seek discounts if we knew we had violated the rules. This is a substantial amount of money that will significantly impact our overall operations and we ask leniency in this matter.
2. From a participant's perspective, this is a very substantial amount of money that can derail the operation. We would like to recommend a more effective notification. For example, a separate letter informing participants a new 470 needs to be done would have a much better chance of being remembered and acted upon, as opposed to two sentences in the middle of a busy 5 page FCDL. This is not to say the FCDL is not effective, just that another, more dedicated letter has a better chance of being remembered and acted upon.

We hope you are open to considering these requests.

Sincerely,



Craig Garrison

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Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal – Funding Year 2015-2016

September 28, 2015

Craig Garrison
Jefferson County Public Schools
C.B. Young Jr. Service Center
3001 Crittenden Drive, Bldg 7
Louisville, KY 40209

Re: Applicant Name: JEFFERSON COUNTY PUBLIC
SCHOOLS
Billed Entity Number: 128769
Form 471 Application Number: 1003395
Funding Request Number(s): 2726874
Your Correspondence Dated: June 22, 2015

After review of the information and documentation provided, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's funding commitment decision for the FCC Form 471 Application Number and funding requests number(s) FRN(s)) referenced above. This letter provides an explanation for USAC's decision. The date of this letter also begins the sixty (60) day time period for appealing this decision. If your Letter of Appeal included more than one FCC Form 471 Application Number, please note that you will receive a separate decision for each funding application.

Funding Request Number(s): 2726874
Decision on Appeal: **Denied**
Explanation:

- You have failed to post a new FCC Form 470 prior to extending/modifying your contract for the current funding year. A new FCC Form 470 should have been posted to the USAC website prior to extending and/or modifying your contract to inform potential bidders about the services sought. You were informed in the FCDL dated 5/15/2014 for the Jefferson County Public Schools FY 2014 Form 471 #945657 FRN 2574876, which referenced the same contract and FCC Form 470 #907890000593871 posted 11/10/2006, that since the referenced multi-year contract 3000-1 had never ending provisions, Jefferson would be required to post a new FCC Form 470 as Program requirements do not allow for contracts with indefinite terms. Jefferson County did not comply with this guidance for either

the Form 470 or the contract number. Since FY 2015 471 #1003395 continued to reference the FCC Form 470 #907890000593871 posted 11/10/2006, the FRN was denied. By not posting a new FCC Form 470 for the changes in your contract, you have violated the competitive bidding requirements of the program. On appeal, your argument that the original 2007 contract should be grandfathered, because the FCC Form 470 was posted for funding years before FY 2011, when there was no requirement to have a finite number of extensions, was determined to be invalid and did not show that USAC's determination was incorrect. Consequently, your appeal is denied.

- FCC rules require that except under limited circumstances, an eligible school, library or consortium that includes an eligible school or library shall seek competitive bids for all services eligible for support. See 47 C.F.R. sec. 54.503(b). To help ensure that applicants receive the lowest pre-discount price from the vendors, applicants are required to carefully consider all bids received before entering into a legally binding agreement with a selected vendor and submitting an FCC Form 471. See 47 C.F.R. secs. 54.503(b) and (c), 54.511(a). Applicants are required to file a new FCC Form 470 in the current application period if they are applying for discounted services for which a new contract is sought. If an applicant has an existing multi-year contract they may be exempt from the competitive bid requirements set forth. However, if an applicant has a contract with voluntary extensions for which it has filed an FCC Form 470, it cannot extend or renew the contract beyond its original expiration date without posting a new FCC Form 470 and considering all bids received, unless voluntary extensions were indicated in the original contract.

If you wish to appeal this decision, you may file an appeal pursuant to 47 C.F.R. Part 54, Subpart I. Detailed instructions for filing appeals are available at:
<http://www.usac.org/sl/about/program-integrity/appeals.aspx>.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company

JEFFERSON County Public Schools
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Louisville, KY 40209
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